



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit

MEETING DATE: September 19, 2012

PREPARED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution to grant designated period for two years additional service credit.

BACKGROUND INFORMATION: The anticipated need to further reduce City spending in FY 2012/13 has necessitated the City explore additional options to reduce staffing. The CalPERS Two Year Additional Service Credit program, as established under California Government Code Section 20903, allows the City (as part of a budget reduction process) to offer a retirement incentive of two years service credit to eligible employees.

The City of Lodi desires to designate a period in which eligible employees qualify for two years additional service credit, based on the amendment to the PERS contract.

The designated period for two years additional service credit would begin September 20, 2012 and go through March 17, 2013 for eligible Miscellaneous members.

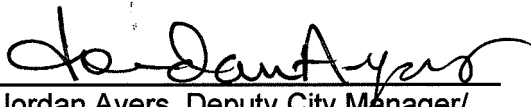
This resolution grants final approval and completes the process.

FISCAL IMPACT: The cost of this benefit will be amortized over 20 years and included in the City's CalPERS employer contribution rate beginning in FY 2013/2014. Although the net savings depends on the number of employees who accept the benefit, the anticipated job vacancies are expected to save the City approximately \$400,000 annually in salary and benefits.

FUNDING AVAILABLE: Not applicable.



Dean Gualco,
Human Resources Manager



Jordan Ayers, Deputy City Manager/
Internal Services Director

APPROVED: 

Konradt Bartlam, City Manager

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Branch

Public Agency Contract Services

P.O. Box 942709

Sacramento, CA 94229-2709

(888) CalPERS (225-7377)

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507**

I hereby certify that in accordance with Section 7507 of the Government Code
the future annual costs as determined by the System Actuary for the
increase/change in retirement benefit(s) have been made public at a public meeting
of the

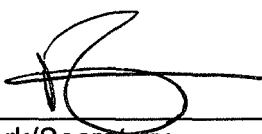
_____ City Council _____ of the
(governing body)

_____ City of **Lodi** _____
(public agency)

on August 15, 2012 which is at least two weeks prior to the adoption of the
(date)

Resolution / Ordinance.

Adoption of the retirement benefit increase/change will not be placed on the consent
calendar.



Clerk/Secretary

City Clerk

Title

Date September 24, 2012

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Employer Services Division
Contract Maintenance Unit
P.O. Box 942709
Sacramento, CA 94229-2709

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20903**


In accordance with Government Code Section 20903 and the contract between the Public Employees' Retirement System, the City Council of the City of Lodi hereby certifies that:

1. Because of an impending curtailment of, or change in the manner of performing service, the best interests of the agency will be served by granting such additional service credit.
2. The added cost to the retirement fund for all eligible employees who retire during the designated window period will be included in the contracting agency's employer contribution rate for the fiscal year that begins two years after the end of the designated period.
3. It has elected to become subject to Section 20903 because of impending mandatory transfers, demotions, and layoffs that constitute at least 1 percent of the job classification, department or organizational unit, as designated by the governing body, resulting from the curtailment of, or change in the manner of performing, its services.
4. Its intention at the time Section 20903 becomes operative is to keep all vacancies created by retirements under this section or at least one vacancy in any position in any department or other organizational unit permanently unfilled thereby resulting in an overall reduction in the work force of such department or organizational unit.

THEREFORE, the City Council of the City of Lodi hereby elects to provide the benefits of Government Code Section 20903 to all eligible members who retire within the designated period, September 19, 2012 through March 17, 2013

CITY COUNCIL
OF THE
CITY OF LODI

BY


Presiding Officer

Attest:


Clerk/Secretary

September 24, 2012

Date

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Branch

Public Agency Contract Services

P.O. Box 942709

Sacramento, CA 94229-2709

(888) CalPERS (225-7377)

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

City Council

of the

(governing body)

City of Lodi

(public agency)

on September 19, 2012

(date)



Clerk/Secretary

City Clerk

Title

RESOLUTION NO. 2012-149

A RESOLUTION OF THE LODI CITY COUNCIL
GRANTING DESIGNATED PERIOD FOR TWO YEARS
ADDITIONAL SERVICE CREDIT

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WHEREAS, the City Council of the City of Lodi is a contracting Public Agency of the Public Employees' Retirement System; and

WHEREAS, the City of Lodi desires to provide another designated period for Two Years Additional Service Credit, Section 20903, based on the contract amendment included in said contract which provided for Section 20903, Two Years Additional Service Credit, for eligible members.

NOW, THEREFORE, BE IT RESOLVED that said City Council does seek to add another designated period and does hereby authorize this Resolution indicating a desire to add a designated period from September 19, 2012 through March 17, 2013, for eligible members in the following classifications:

Classification	Department
Administrative Secretary	Fire
Electrical Technician	Electric Utility
Library Services Manager	Library
Parks Maintenance Worker III	Park, Recreation & Cultural Services

Date: September 19, 2012

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I hereby certify that Resolution No. 2012-149 was passed and adopted by the Lodi City Council in a regular meeting held September 19, 2012, by the following vote:

AYES: COUNCIL MEMBERS – Johnson, Katzakian, Nakanishi, and Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hansen

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk